

ARTICLE APPEARED
ON PAGE A-17

NEW YORK TIMES
16 August 1984

Ex-C.I.A. Official Tells of Bid to Aid Pipeline

By LESLIE MAITLAND WERNER
Special to The New York Times

WASHINGTON. Aug. 15 — Adm. Bobby R. Inman, former deputy director of the Central Intelligence Agency, said today that he was asked almost two years ago to help win "United States Government support and approval" for building an oil pipeline across Africa.

The question of whether Government approval was required for the pipeline venture of Basil A. Tsakos, a Greek entrepreneur, has become important since the disclosure that the wife of Senator Mark O. Hatfield received \$55,000 from Mr. Tsakos while the

Senator was helping to promote the venture.

"They wanted me to give them advice to guide it through and to get approval and support from the U.S. Government," Admiral Inman said in a telephone interview. He said he had been told that "U.S. Government support was a high priority for them."

"The question was would I become a consultant," he said. "I was told they'd reward me handsomely." He said he turned down the offer.

Two Inquiries Under Way

Both Senator Hatfield, an Oregon Republican, and Mr. Tsakos have denied any connection between the payments to the Senator's wife, Antoinette, and the Senator's support for the project. But the Justice Department and the Senate Select Committee on Ethics are examining whether any connection may have existed. Under the United States Criminal Code, it is a violation of bribery laws for a public official to accept a benefit in return for performing an official act.

Admiral Inman, who left the C.I.A. in July 1982, said he was approached in early September by Robert H. Ferneau, an officer of Mr. Tsakos's Trans-African Pipeline Corporation, or Tapco. Admiral Inman said he had known Mr. Ferneau when Mr. Ferneau served as Deputy Under Secretary of the Navy in the Ford Administration.

The admiral, now chairman and president of the Microelectronics and Computer Technology Corporation, said he understood that Washington's approval of the project would have been beneficial for several reasons: to gain diplomatic assistance for winning African support for the venture, to gain waivers of American export controls governing the shipment of equipment and machinery overseas and potentially to assist with financing, possibly through the Export-Import Bank.

Mr. Ferneau could not be reached for comment today. But according to the minutes of a Tapco board meeting held Aug. 31, 1982, obtained as part of a court record in a civil suit, Mr. Tsakos was interested in enlisting the help of

Admiral Inman. The minutes show that Mr. Tsakos "commented that the presence of Admiral Inman could be very beneficial to the company, to which the other directors agreed."

Meeting With Exxon Executive

In a deposition of Mr. Tsakos taken in the civil suit last year, Mr. Tsakos said he was looking for someone in the United States who had contacts with the Government to advance the project.

He also said he was interested in having an American corporation take over the operation, maintenance and security of the pipeline, which was why he met with Howard Kauffmann, president of the Exxon Corporation.

Senator Hatfield has said he arranged that meeting for Mr. Tsakos.

In a related development today, Gerry Frank, an aide to Senator Hatfield, said Mrs. Hatfield had obtained a \$55,000 loan from the Pioneer Trust Company in Salem, Ore., to donate that sum to charity. The Hatfields said Monday that Mrs. Hatfield had rightfully earned the \$55,000 she received from Mr. Tsakos, but that she was donating it to a hospital.

Justice Department officials said today that the inquiry being conducted by the Federal Bureau of Investigation would not be affected by Mrs. Hatfield's decision to give the money to charity. Agents have started questioning former associates of Mr. Tsakos.